

JOHN E. HAAS

OCTOBER 28 (legislative day, OCTOBER 25), 1943.—Ordered to be printed

Mr. ELLENDER, from the Committee on Claims, submitted the following

REPORT

[To accompany H. R. 2182]

The Committee on Claims, to whom was referred the bill (H. R. 2182) for the relief of John E. Haas, having considered the same, report favorably thereon and recommend that the bill do pass without amendment.

The facts will be found fully set forth in House Report No. 692, Seventy-eighth Congress, first session, which is appended hereto and made a part of this report, and your committee concur in the recommendations of the House.

[H. Rept. No. 692, 78th Cong., 1st sess.]

The Committee on Claims, to whom was referred the bill (H. R. 2182) for the relief of John E. Haas, having considered the same, report favorably thereon with an amendment and recommend that the bill as amended do pass.

The amendment is as follows:

Page 1, line 11, after the word "District" add the words "of Columbia".

The purpose of the proposed legislation is to provide that, notwithstanding any other provision of law, John E. Haas, an employee of the Treasury Department retired under the provisions of section 8 (a) of the act of June 16, 1933 (48 Stat. 305; U. S. C., title 5, sec. 736 (a)), shall not be required to reimburse the United States for any annuity payments received by him during the period of his employment at Hine Junior High School as the director of a boys' club, under the Community Center Department of the Public Schools of the District of Columbia, from July 1, 1935, to April 1, 1941.

STATEMENT OF FACTS

John E. Haas entered upon employment with the Treasury Department on December 10, 1913, and resigned without prejudice on December 31, 1918. He was reinstated on August 1, 1919, and his services were discontinued without prejudice on June 30, 1935, due to a reduction in force. Thereafter, according to information obtained from the Civil Service Commission, from July 1, 1935, until April 1, 1941, when he was suspended from the annuity rolls, he received an annuity of \$1,158 per annum by virtue of the provisions of section 8 (a) of the

act of June 16, 1933 (48 Stat. 305; U. S. C., title 5, sec. 736 (a)). He was reinstated in the Public Debt Service of the Treasury Department effective September 16, 1942.

Mr. Haas was active in athletics for many years and had acquired a local reputation as an athlete and athletic official. After his retirement he was offered a position as director of a boys' club at the Hine Junior High School under the Community Center Department of the Public Schools of the District of Columbia, which position he accepted. The position involved welfare work on a large scale among the boys who belonged to the group. He was employed in that capacity from July 1, 1935, to April 1, 1941, for which he received a remuneration from \$250 to \$350 per annum. Before accepting the appointment Mr. Haas was assured by those seeking his services that such employment would not in any way jeopardize his annuity. However, section 8 (a) of the foregoing act provides that an annuitant employed in the service of the District of Columbia or the United States loses his right to the annuity. Due to that provision the Civil Service Commission has requested a refund of the sum paid.

It is apparent that Mr. Haas would not have accepted the position if he had been aware of the effect of such action, inasmuch as his salary as the director of the boys' club was much less than the retirement benefit to which he was otherwise entitled. While it is realized that ignorance of the law is generally no defense, the repayment of the annuity received would work a great hardship in this case.

The Treasury Department, in its report, recommends enactment of the proposed legislation.

Your committee agree that the legislation is meritorious, fair, and equitable, and, therefore, also recommend favorable consideration of the bill.

Appended hereto is the report of the Treasury Department, together with other pertinent evidence, all of which is made a part of this report.

TREASURY DEPARTMENT,
Washington, May 18, 1943.

Hon. DAN R. McGEHEE,
*Chairman, Committee on Claims,
House of Representatives.*

DEAR MR. CHAIRMAN: Further reference is made to your letter of March 17, 1943, requesting the views of this Department on H. R. 2182, "for the relief of John E. Haas."

It appears from the files of this Department that Mr. Haas entered the Treasury on December 10, 1913, and resigned without prejudice on December 31, 1918. He was reinstated on August 1, 1919, and his services were discontinued without prejudice on June 30, 1935, due to a reduction in force. Thereafter, according to information obtained from the Civil Service Commission, from July 1, 1935, until April 1, 1941, when he was suspended from the annuity rolls, he received an annuity of \$1,158 per annum by virtue of the provisions of section 8 (a) of the act of June 16, 1933 (48 Stat. 305; U. S. C., title 5, sec. 736 (a)). He was reinstated in the Public Debt Service of the Treasury Department effective September 16, 1942.

Mr. Haas was active in athletics for many years and had acquired a local reputation as an athlete and athletic official. After his retirement he was offered a position as director of a boys' club at the Hine Junior High School under the Community Center Department of the Public Schools of the District of Columbia, which position he accepted. The position involved welfare work on a large scale among the boys who belonged to the group. The Department is informed that he was employed in that capacity from July 1, 1935, to April 1, 1941, for which he received a remuneration from \$250 to \$350 per annum. Before accepting the appointment Mr. Haas was assured by those seeking his services that such employment would not in any way jeopardize his annuity. However, section 8 (a) of the foregoing act provides that an annuitant employed in the service of the District of Columbia or the United States loses his right to the annuity. Due to that provision the Civil Service Commission has apparently requested a refund of the sum paid.

It is apparent that Mr. Haas would not have accepted the position if he had been aware of the effect of such action, inasmuch as his salary as the director of the boys' club was much less than the retirement benefit to which he was otherwise entitled. While the Department realizes that ignorance of the law is generally no defense, the repayment of the annuity received would work a great hardship in this case. Under these circumstances, the Department recommends favorable consideration of the proposed legislation.

The Department has been advised by the Bureau of the Budget that there is no objection to the submission of this report to your committee.

Very truly yours,

D. W. BELL,
Acting Secretary of the Treasury.

STATEMENT OF JOHN E. HAAS IN REGARD TO HIS ANNUITY

I received a letter from the Civil Service Commission dated April 21, 1941, advising me that I had forfeited my annuity computed at the rate of \$1,158 per annum for a period of 5 years and 5 months from November 1, 1935, to March 31, 1941, a total amount of \$6,272.50 which must be refunded, for the reason that it had been found that I was on the rolls of the District high schools.

In 1931 my services were solicited by the Community Center Department of the public schools, to organize the boys in the neighborhood of Hine Junior High School into a club in order to keep them from destroying property, robbing lockers, and annoying classes at night. These services were continued with success to May 1, 1939. This employment as club leader was for a period from November 1 to May 30 of each year, 3 nights a week at from \$3 to \$4 per night that barely covered expenses for dinner and automobile to and from this employment.

The officers of the Community Center Department and the disbursing officer knew that I had been retired from the Federal Government and I was assured that there would be no conflict of the law relating thereto. I had never been furnished with a copy of the retirement law and no one, including many prominent Government officials, knew that the Federal and District Governments were included under the same provisions. No attempt was made to defraud the Government.

As Government officials knew of my employment with the community center from 1931 until the time I was retired June 30, 1935, I had no reason to believe that there would be any conflict after I retired.

The full amount of \$6,272.50 should be the sum that I should not have to reimburse the Government.

A PRECEDENT

Refer to H. R. 7177 as finally passed by both House and Senate and signed by the President in the case of Earl Carbauh, H. R. 7177. Mr. Carbauh's annuity has been restored and he has been reimbursed from the date that his annuity was stopped. (See statements of Hon. Harry B. Mitchell, President of the Civil Service Commission; Frank C. Walker, Postmaster General; and Henry L. Stimson, Secretary of War, in Report No. 1696.)

JOHN E. HAAS.

FEBRUARY 19, 1943.

P. S.—Forgot to state above that I was reinstated in the Treasury Department on September 16, 1942, and transferred to the General Accounting Office December 26, 1942, where I am now employed.

JOHN E. HAAS.

Sworn to and subscribed before me on this the 26th day of May 1943.

[SEAL]

MABEL GOODWIN HALLER,
Notary Public

My commission expires May 1, 1945.

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